



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 651

Chairperson: Chris Langemeier
Committee: Natural Resources
Date of Hearing: February 26, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Legislative Bill 651 would adopt the Water Resources Revolving Loan Fund Act.

This bill recognizes that because water is an important and valuable natural resource in the state that there is a public interest to develop tools to implement water enhancement programs. Given the impact of an extended drought on certain areas of the state, assistance in the form of the Water Resources Revolving Loan Fund in LB 651 is one of these necessary tools to lessen the negative economic impact of regulation, management, protection, and conservation of limited water resources.

LB 651 establishes a state fund for Natural Resources Districts (NRDs) to use as a financing mechanism for local water resource projects to assist with water management. The concept is similar to the Drinking Water Revolving Fund, except that there would not be an annual appropriation to continue to build the fund.

LB 651 would receive its funds from the \$9 million owed by the NRDs to the Water Contingency Cash Fund. When these funds are repaid according to LB 1094 from 2008 into the Water Contingency Cash Fund, this bill would transfer these funds to the Water Resources Revolving Loan Fund to be loaned to NRDs for other local projects. These funds then could be used and repaid on a continual basis without the ongoing need for more appropriations.

The Natural Resources Commission would have oversight of the fund and would make interest and interest free loans to districts to match other funding sources. The repayment would go back into the fund so that the principal base would continue to grow.

Principal Introducer:

Senator Mark Christensen